



CITY COUNCIL

Work Session

***Work Session
Penn Room***

***Tuesday, February 22, 2011
7:00 P.M.***

Although Council Work Sessions are open to the public, public comment is not permitted. However, citizens are encouraged to attend and observe the work sessions. Comment from citizens or professionals during the work session may be solicited on agenda topics via invitation by the Council President.

- I. Call to Order**
- II. Managing Director's Report**
- III. Council Staff Report**
- IV. Trash/Recycling – F. Denbowski**
- V. Public Service Agreements – F. Denbowski**
- VI. Review of Financial Policies (PFM)**
- VII. Adjourn**

City of Reading
City Council
Work Session
Tuesday, January 18, 2011

Councilors Attending: V. Spencer, F. Acosta, M. Goodman-Hinnershitz, D. Reed, D. Sterner, J. Waltman

Others Attending: C. Younger, F. Denbowski, L. Kelleher, F. Denbowski, C. Geffken

Vaughn D. Spencer, President of Council, called the Work Session to order at approximately 7:12 pm.

CORE Presentation – Reading-Berks Association of Realtors

(Redevelopment Authority Members – D. Luckey, M. Lauter, T. Auman were present for this presentation.)

Chuck Leidike, Government Affairs Director for the Reading-Berks Association of Realtors, stated that CORE is an acronym for Community Reinvestment Project, whereby the Reading-Berks Association of Realtors would assist in the marketing and placement of first time home owners, teachers, public safety officials, and others in City residential properties. Mr. Mohn, realtor and chair of the CORE committee, distributed a handout of the power-point presentation. He noted that the CORE project began in Baltimore, MD over a number of years. He stated that as of January 29, 2010, Baltimore saw 273 properties settled with a \$6M net value to the City. He stated that a similar project called SCORE started in Philadelphia during 2008-2009 by the PA Association of Realtors. He stated that the Philadelphia project looked to remarket City owned properties.

Mr. Mohn stated that the CORE project focuses on owner occupied, not rental, properties. He stated that this would be the first third-class PA city to begin the CORE project. He explained that CORE project will also help remarket Reading in a positive way. He suggested seeking a deed restriction which would require rehabilitation within one (1) to two (2) years or have the property revert to City ownership. Ms. Kelleher noted the need for further legal review.

In response to a question Mr. Mohn stated that the realtor's commission is not set, but negotiated due to the anti-trust regulations. He stated that only certified and trained agents would be eligible to participate as CORE agents. He stated that the City would select the properties to enter in the CORE project. Mr. Mohn stated that the PA Association of Realtors

is currently seeking partnerships with individual financial institutions to assist with financing rehab projects.

Managing Director's Report

Interim Managing Director Carl Geffken read the report distributed to Council at the meeting covering the following:

- The Administration's work to resolve issues with the phone system in the Service's Center
- Announcing that Controller Chris Zale began working for the City on December 27th
- Announcing that the Accounting Manager, Danielle Fox, will began working for the City on February 14th.

Council Staff Report

Mr. Spencer inquired if Council had any questions on the Council Staff Report included in the Work Session agenda.

Ms. Kelleher highlighted the following:

- The LRA Navy Marine project
- The need to obtain viable candidates for the City's Boards, Authorities, and Commissions
- Update on the Granicus installation in the Penn Room

PFM Financial Policies

Ms. Kelleher distributed a handout from Mr. Mann from PFM responding to Council questions from the December Workshop.

Council discussed the apparent conflict between the internal elected Auditor responsibilities versus the Controller responsibilities. The elimination of the elected Auditor position was discussed, as it is redundant. Council suggested meeting with the elected Auditor to discuss his responsibilities, duties, and policy issues.

Mr. Waltman noted the need to find a proper balance in the financial policies, noting that the policies are not a hammer to beat the Administration, but a hammer to provide protection for them.

The policies will be further discussed at a Committee of the Whole meeting on Monday, January 24th, 2011.

The Work Session adjourned at approximately 8:45pm.

Respectfully submitted by Linda A. Kelleher CMC, City Clerk



Council Staff Report

01/01/11 through 01/31/11

Council Staff

Linda Kelleher, City Clerk

Michelle Katzenmoyer, Deputy City Clerk

Maritza Loaiza, Administrative Assistant

Constituent Service

The following table is a rough tabulation of the number and type of issues addressed by the Council Office in September:

Calls for Directory Assistance

Call Type	Number of Calls
Solid Waste	5
Codes	19
Tax	4
Mayor	1
Police	6
Fire	0
Community Development	1
Planning & Zoning	11
Human Resources	7
Accounting/Finance	7
Law	4
Managing Director	2
RAWA	16
Public Works	4
IT	0
Parking Authority	1
Call Center	32
Human Relations Commission	6
Parks/Recreation	0
Streets	1
Building and Trades	10
Purchasing	0
Treasury	5
Housing Authority	1
Sanitary Sewers	6

Total Calls	149
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<u>Message for Council</u>	<u>Complaints</u>	<u>Non-City Directory Assistance</u>	<u>Calls Handled In-Office</u>	<u>Total Calls</u>	<u>Walk-Ins</u>	<u>Email Requests</u>	<u>Email Complaints</u>	<u>Total Email</u>	<u>Total Constituent Service</u>
16	15	38	246	464	54	733	521	1254	1772

Houses Identified As Missing Housing Permits, Business Licenses, or Both

Areas Covered: MDJ Cases
Property transactions
Citizen complaints

Total (Since Feb. 2008): Approx. 10,072

Staff Activities

Between 01/01/11 and 01/31/11 Council staff accomplished the following tasks:

Drafted and Prepared

Linda:

- Conditional Use Decision, Findings of Fact and Decision re 1051 Chestnut St
- Conditional Use Decision, Findings of Fact and Decision re 245 S 4th St
- Decision, Findings of Fact re Miko Termination
- Blight Affirmation Resolution re Properties certified at 1-20-11 Hearing
- Police Hire Resolutions – 15 conditional offers of employment
- Contract Award Letters re Library roof
- Contract Award Letters re Fire & EMS Roofs
- Letter re Snow Removal Ordinance Summit Chase Drive
- Meeting Reports for Act 47 Implementation Meetings, BCCF Task Force Report & Housing Work Group
- Charter Board Annual Meeting Ad
- Ads for Conditional Use Hearings
- BPRC Meeting Report
- BPRC Certification Orders
- BPRC Affidavits for Feb Certification Hearing
- Assist with preparation of Annual Report

Michelle:

- BAC Expiration letters
- BAC Background Checks
- BAC Background Issues letters
- Complaint Updates
- Solicitation Permit Database Update
- Accounts Payable
- Staff Report
- Meeting Summaries
- Meeting Agendas
- Resolution to dispose 2003 Financial Interest Statements
- Compile 10 Year Park and Open Space Plan surveys results
- Begin preparations for 2010 Journal of Council
- Annual Staff Report
- Compile Housing Statistics
- Review BAC minutes received
- Klein Ave mailing
- Commendations
 - Latino Chamber of Commerce
 - Johanny Cepeda
 - Black History Month
- Appointment/Reappointment Resolutions
 - Zane Collings
 - Brian Fichthorn
 - Rene Placido
 - Craig Weisman
 - William Harst
 - Kathryn Amaker

Maritza:

- Copy and distribute all memos, handouts, and agendas per City Clerk to Council and other departments
- Scan legislation
- File all paperwork (i.e., contracts, minutes, agendas, bills, ordinances, resolutions, etc.) accordingly
- Distribute incoming mail to office staff and council members
- Register meeting speakers as requested
- Prepare and mail Thank You letter for invocators at City Council meetings
- Prepare and mail Thank You letters to speakers
- Answer constituent questions to best of my ability, forwarded complaints to appropriate departments, and updated complaint log
- Assisted constituents with legislative information they were researching or requesting
- Mail all necessary handouts/paperwork to BAC members
- Updated Codified Ordinance Books, current and vault copies
- Translate any needed fliers and documents
- Locate, Scan, and/or Copy requested legislation for various departments, other entities, or constituents.

- Type and correct dictation done by City Clerk
- Complete accounts payable forms and update budget
- Prepare Council agenda packets
- Prepare Board of Health agenda packets
- Prepare Board of Health minutes
- Train office intern in basic tasks

All staff:

- Committee of the Whole minutes, Committee meeting minutes and Regular minutes
- Drafted correspondence and memos for members of Council

Researched

Linda:

- Harrisburg & Scranton budget adoption procedures
- Street Vacation re Bern St & Sheridan St
- Changes in Fines for RPD
- 3rd Class City Transfer Thresholds
- Fire “Do Not Enter” list for inclusion for BPRC

Michelle:

- Sustainability
- Certain motor vehicle violations

Maritza:

- None

Meetings Attended

Linda:

1/6 – Alvernia re Navy Marine Center
 1/6 - OEA & Navy re LRA
 1/6 - Advanced AV re installation of Granicus in Penn Room
 1/6 - Police Termination Hearing
 1/7 - Eric Weiss & Codes re Illegal Housing
 1/11 - Webinar re COOP & Municipal Records
 1/12 - Housing Work Group Meeting
 1/12 - Zoning Hearing Board
 1/13 - BCCF re Library Task Force Report
 1/13 - Webinar re COOP & Municipal Records
 1/13 - Act 47 Implementation Meeting
 1/13 - Police Termination Hearing
 1/14 - Court re Police Witness
 1/19 - Interview WTIF Radio re Paperless Agenda
 1/19 - Recorder of Deeds & IT Mgr re illegal housing & Data

Cleansing

1/20 - Webinar re COOP & Municipal Records

1/20 - Oath William Harst re Zoning Board
1/20 - BPRC Certification Hearing
1/21 - Eric Weiss & Codes re Illegal housing
1/25 - Webinar re COOP & Municipal Records
1/25 - Conditional Use Hearing re 143 S 12th St
1/26 - Zoning Amendment Hearing
1/27 - Act 47 Implementation Meeting
1/27 - Legislative Aide Committee
1/29 - FairView Board Meeting
1/29 - Eric Weiss, Codes R-BAR re illegal housing
1/29 - Granicus Conference call re installation in Penn Room
1/29 - Core Services
1/31 – Core Services
1/31 - Oath Renee Placido Main Street Board

Michelle: 1/3 – Administrative Oversight Committee
1/4 – Docstar Training
1/7 – Housing Meeting
1/10 – Committee of the Whole
1/11 – Records Retention Webinar
1/13 – Records Retention Webinar
1/14 – Housing Meeting
1/17 – Park and Recreation Advisory Committee
1/18 – Public Works Committee
1/19 – Bid opening – City Park and Baer Park Tennis Courts
1/19 – School Safety
1/20 – iPad training
1/20 – Records Retention Webinar
1/21 – Housing Meeting
1/24 – Committee of the Whole
1/25 – Records Retention Webinar
1/25 – Environmental Advisory Council
1/27 – Bid opening – 3rd & Court firehouse roof
1/27 – IT Training – iPad agenda loading
1/28 – Housing Meeting

Maritza: 1/4 – Docstar Training
1/5 – Board of Health
1/11 – Records Retention Webinar
1/13 – Records Retention Webinar
1/20 – iPad Training
1/25 – Records Retention Webinar
1/26 – IT Training – iPad agenda loading

Activities of Boards, Authorities and Commissions

Environmental Advisory Council – The EAC discussed the necessity of Reading adopting Steep Slope and Riparian Buffer Ordinances. It was decided that the City should institute these ordinances and requested that City staff begin working on drafts. They also heard an update about remediation plans for Bernhart Park.

Park and Recreation Advisory Committee – The PARC heard an update on Recovery Plan PW 11 (evaluate minor park use and consider alternative management, use or disposal of underutilized parks) as the chair participated on this greenbelt team. He stated that parks/playgrounds and possible partners were identified and given to the City Administration and Council. They also received an update on the Recreation Commission and held a discussion regarding the Olivet plans to locate at Pandora Park. The members will be attending the Council Committee of the Whole meeting to hear the presentation. Work on the update to the 10 Year Park and Open Space Plan continues.

Board of Health – The Board of Health discussed current lead issues in the City. Elections were held, reappointing Dr. Kimball as chair. The Board also heard an update on the current status of the Bernhart Park remediation and the Health Officer position.

Blighted Property Review Committee – One of the qualifying criteria for blighted properties is lack of utilities. In the past the BPRC only applied this criterion to properties without water/sewer service. However, in discussions with Eric Weiss, the City's Housing Coordinator, shed light on the need to also consider properties without electric and gas utilities. The City Clerk discussed this issue with UGI and Met Ed who have agreed to complete utility affidavits for properties moving into the Determination and Certification phases of the process. The BPRC certified an additional 12 properties as blighted at their January hearing. The Planning Commission affirmed the blighted conditions of the property and City Council will consider the adoption of a resolution to refer these properties to the Redevelopment Authority. Also the Redevelopment Authority has started eminent domain on 127 Walnut Street and 343 & 360 McKnight Street. The BPRC also requested the Redevelopment Authority to begin eminent domain proceedings on three (3) of the properties certified at the January hearing, including 1237 Buttonwood Street.

Legislative Aide Committee – The Legislative Aide Committee continues to research the pet limitation and Budget adoption issue referred by City Council.

Reading LRA – The City Clerk continues in discussions with Alvernia staff and their consultant in Washington DC regarding their interest in acquiring the six (6) acre parcel that was proposed for The Reading Hospital and Medical Center.

Bernhart's Park - The City received Exide's response to the City's remediation request for Bernhart's Park. Exide has agreed to many of the correction of many of the smaller requests such as the reinstallation of the park benches, picnic benches and grills along with the removal of brush and dead trees. However, they have not agreed to provide the requested liability insurance that would ride after the remediation and protect the City if and when the acceptable lead levels are reduced. This issue is being reviewed by the work group, who is scheduled to meet with Exide on Friday, Feb 4th at Exide. Also the EPA provided a draft

access agreement which was deemed unacceptable by Environmental Attorney David Bean, who represents the EAC on the work group. He has provided an acceptable draft to the Solicitor who will be asked to work with Exide and the EPA to execute this agreement.

Essential Municipal Records Webinar & Preparedness Requirements - All three Council Staff members and Jim Conrad, the Emergency Management Coordinator attended the four (4) FEMA sponsored Essential Municipal Records webinar and passed the required post exam. While discussing the essential municipal records issue with Mr. Conrad, we learned that the majority of City Departments and Offices have not taken the required FEMA testing that was to be completed by December 31st 2009 and have not assisted in the creation of the FEMA required COOP (Continuity of Operations Plan). Mr. Conrad congratulated Council Staff and Council Members for their diligence on the preparedness issue. Developing a COOP is a critical part of preparedness in the case of local disaster or other emergency situation. The need for these plans was identified when Hurricane Katrina ripped through southern states causing municipalities to lose records and information critical to the continuation of municipal government function. Mr. Conrad will be attending the February Public Safety Committee to discuss this topic.

Elements of Viable Continuity Capability

The Continuity Plan is the roadmap for the implementation and management of municipal operations when disaster or other disruptions occur. The following provides the general overarching continuity requirements for agencies and organizations.

Essential Functions – a subset of government and other organizational functions that are determined to be critical activities used to identify supporting tasks and resources that must be included in the agency's and organization's continuity planning process.

Orders of Succession – essential part of an agency's and organization's continuity plan to ensure that agency and organizational personnel know who assumes the authority and responsibility of the agency's and organization's leadership if that leadership is incapacitated or becomes otherwise unavailable during a continuity situation.

Delegations of Authority – establish who has the right to make key decisions during a continuity situation.

Continuity Facilities – alternate facilities from which an agency and organization can perform its Essential Functions in a threat-free environment.

Continuity Communications – the availability and redundancy of critical communications systems to support connectivity to internal and external organizations, customers, and the public is vital to the success of agency and organization operations.

Vital Records Management – the identification, protection and ready availability of electronic and hard copy documents, references, records, information systems, data

management software and equipment needed to support essential functions during a continuity situation.

Human Capital – provides guidance to emergency employees and other special categories of employees who are activated by an agency and organization to perform assigned response duties during a continuity event.

Tests, Training, and Exercises (TT&E) – Provisions made for the identification, training, and preparedness of personnel capable of relocating to alternate facilities to support the continuation of the performance of essential functions.

Devolution of Control and Direction – capability to transfer statutory authority and responsibility for essential functions from an agency's and organization's primary operating staff and facilities to other agency and organization employees and facilities, and to sustain that operational capability for an extended period.

Reconstitution – the process by which surviving and/or replacement agency and organizational personnel resume normal agency operations from the original or replacement primary operating facility.

Board, Authority, Commission seats - We need Council's help in filling the following volunteer openings on the City's Boards, Authorities and Commissions. Council Staff has done outreach to Albright College, Alvernia University and RACC and will undertake broader outreach in the near future.

Water Authority (RAWA) – 2 seats (2 applications are pending)

Fire Civil Service Board – 1 seat

Board of Health – 1 regular seat & 1 alternate seat

Planning Commission – 1 seat (1 application is pending)

Zoning Hearing Board – 2 alternates (1 application is pending)

PARC – 3 seats

Human Relations Commission – 4 seats

Legislative Aide – 4 seats (2 applications are pending)

PFM DRAFT

Revised Draft Financial Policies

I. Structurally Balanced Budget: The City's objective is to achieve and maintain a structurally-balanced budget in all funds such that recurring revenues fund recurring expenditures. Non-recurring revenues and budget surpluses should replenish reserve levels, support outstanding liabilities and pay for non-recurring expenditures, including capital projects, in that order.

To that end, the Director of Administrative Services shall report to the Managing Director and City Council on the inclusion of any non-recurring revenues in each budget, forecast or actual report of financial results. That report should include the amount and use of any non-recurring revenues. For the purpose of this policy, non-recurring revenues shall include land or asset sales, use of fund balance, transfers from other funds that exceed ongoing and sustainable levels, and transfers from other funds that exceed legal limits. Non-recurring revenues also include any revenue that is anticipated to be received for only one year.

II. Fund Transfers & Subsidies: The City may make permanent, annual transfers from other City funds into the General Fund under the following conditions:

- (a) Use a cost allocation method to allocate administrative and overhead costs to other funds or programs receiving administrative services from the City. The cost allocation method must be applied consistently across funds and years. The cost allocated to each fund must be sustainable by those other funds. A summary of the cost allocation method for each allocated cost shall be maintained in writing.
- (b) There shall be an adopted schedule for transfers included in the annual budget. Transfers that are not annual shall occur at least quarterly.

The City may also make transfers from enterprise funds according to the following conditions:

- (a) The transfer complies with all applicable federal and/or state requirements and agreements.
- (b) The transfer is based on an adopted calculation methodology applied each year. This methodology may be based on percentage of revenues, return on investment, percentage of net revenues, or other calculation adopted by the City Council. The methodology should be adopted consistently each year.

III. Interfund Borrowing: The City will limit its use of interfund fund borrowing to obtain cash from one fund type or reserve to fund activities of another fund type or reserve, and will apply the following conditions to limit such borrowings:

- (a) The borrowing is deemed a lawful use of such funds;
- (b) The Director of Administrative Services has determined that the funds to be borrowed will not be needed by the lending fund during the lending period;
- (c) The borrowing is for a temporary period with repayment scheduled during the same fiscal year;
- (d) Any borrowing activity that cannot be repaid by the end of the fiscal year, other than temporary lags in reimbursements, will be disclosed along with a plan for replenishment;

- (e) No such borrowing shall cause the City to be in noncompliance with its policy on structurally balanced budgets;
- (f) No such borrowing shall cause the City to be in noncompliance with applicable federal and/or state requirements or agreements; and
- (g) For existing borrowings that are not in compliance with this policy, the City shall adopt budgets and a plan to come into compliance by end of 2011.

(Revised) Any actions taken to borrow money under these conditions must be separately disclosed in the City's periodic financial reports to City Council with an anticipated repayment date. If the cumulative amount that one fund borrows from any other fund(s) during the calendar year is more than \$500,000, any amount in excess of \$500,000 must be approved by Council. Similarly, if the cumulative amount borrowed from one fund by any other fund(s) during the calendar year is more than \$500,000, any amount in excess of \$500,000 must be approved by City Council.

Financial Reports: The City Finance Department shall prepare reports to the City Council which estimate fiscal year-end projections for both revenues and expenditures. The process shall comply with initiative FI04 of the City's Act 47 Recovery Plan dated June 11, 2010.

Revenue Estimates: As a part of its budget process, the City shall establish a revenue estimating conference process to assist in the development of its revenue estimates. The process shall comply with initiative RE07 of the City's Act 47 Recovery Plan dated June 11, 2010.

Report on Policy Compliance: The elected City Auditor will report annually to City Council on the City's compliance with these policies. This report shall be made publicly available.

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Interfund Loan
Scenarios.pdf